



Department
for Environment
Food & Rural Affairs

Consultation on the draft National Policy Statement for Water Resources Infrastructure

November 2018



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Contents

Ministerial foreword.....	1
1. About this consultation.....	2
1.1. Overview.....	2
1.2. Aim of this consultation.....	2
2. Context and summary of draft NPS content	4
2.1. Developing an NPS for water resources infrastructure	4
2.2. Water resource management plans.....	5
2.3. Water resources infrastructure that is nationally significant	5
2.4. The draft NPS for water resources infrastructure.....	6
3. Appraisal of Sustainability and Habitat Regulations Assessment	9
3.1. Appraisal of Sustainability.....	9
3.2. Habitat Regulations Assessment.....	11
4. Next steps following consultation.....	12
4.1. Parliamentary scrutiny	12
4.2. General information and how to respond.....	12
4.3. Confidentiality and data protection.....	13
5. Summary of consultation questions.....	14
Annex A: the development consent process.....	15

Ministerial foreword

Whenever we turn on the tap we expect a plentiful supply of clean water and almost always, we do so it is easy to take this for granted. However, we know that, with a growing population and changes to rainfall patterns brought on by climate change, securing a plentiful supply of water will get harder.

In 2016 we published our plan 'Enabling resilience in the water sector' on how we want, through the water companies, to secure resilient supplies in the long term. Our 25 Year Environment Plan reinforces this. We start by expecting water companies to reduce leakage from their pipes and the demand for water from consumers. The government expects companies to reduce leakage by 15% by 2025 and by 50% by 2050.

However, even if we are successful in reducing demand and the water industry halves the amount it loses through leaks, we will still need more water for supply. This might be new reservoirs, more water transfers, desalination or making better use of waste water.

I am pleased to be presenting this National Policy Statement (NPS) for Water Resources Infrastructure on which we are consulting. This will guide planning decisions for water resources infrastructure of national significance, making sure we get the infrastructure we need, when we need it. This NPS brings together government policy on resilience and sets out clearly the need for water resources infrastructure. It draws on evidence on the long term planning needs of the water sector. Where 'nationally significant' schemes are identified as the best options, the NPS will provide clear planning guidance for promoters of such projects, and for the Planning Inspectorate and Secretary of State in their consideration of applications for development consent.

Water companies have recently consulted on their draft water resources management plans. It is in these plans that the most appropriate options to meet resilience needs are set out. The government and its regulators have guided water companies in the development of these plans and expect companies to work together, on a regional scale, to develop and identify the most effective schemes. The NPS reiterates the importance of strategic water resources planning, that will benefit all water users and the environment and sets out the role of the Environment Agency's national framework for water resources in achieving this. Alongside the development of the NPS, we have already made legislation in Parliament to make sure the correct type and scale of water resources infrastructure is captured as 'nationally significant'.

We all need to take action though. With a little help, each of us could use less water in a day. Whether that is being more careful with how much water we use for daily tasks or how we can all act that bit more quickly to fix the leaks we see, like the dripping tap or overflow, or getting more help to be aware (and fix) the leakage we cannot see from our own pipes. We will set out our plans to improve water efficiency in the government's upcoming water conservation report.

We are interested to hear your views on the NPS, along with the accompanying environmental and sustainability appraisals. Together, we will continue to secure and supply plentiful water for homes and businesses now and for generations to come.

DR THERESE COFFEY MP

Parliamentary Under Secretary of State for the Environment

1. About this consultation

1.1. Overview

- 1.1.1. The government has identified an immediate need to increase resilience in the water sector to address pressure on water supplies. This pressure is increasing due to population growth, the impacts of climate change and the need to maintain sufficient water in our watercourses, lakes and wetlands to protect the environment.
- 1.1.2. The goal set out in: 'A Green Future', the government's 25 year plan to improve the environment, is clean and plentiful water.¹ The government's vision is a water industry that works for everyone; providing reliable, robust services now and in the future, without compromising the needs of the environment.
- 1.1.3. To achieve this vision, a twin track approach to securing resilient supplies is required. This approach includes both demand management, for example leakage reduction and increased water efficiency measures, and new water supplies, such as reservoirs and water transfers. The government wants to make sure that where new water resources infrastructure is needed, it can be delivered in a timely manner and to a high standard.
- 1.1.4. The draft National Policy Statement for Water Resources Infrastructure, hereafter referred to as 'the NPS', sets out the need and government's policies for, development of nationally significant infrastructure projects relevant to water resources in England. It provides planning guidance for applicants of nationally significant infrastructure projects, as defined in the Planning Act 2008 ('the Planning Act').
- 1.1.5. The NPS will guide developers when preparing, and the Planning Inspectorate and the Secretary of State when considering nationally significant infrastructure project applications for development consent.²
- 1.1.6. The aim of the NPS, in setting out the need for the development of nationally significant infrastructure projects and the assessment criteria, is to streamline the planning process for eligible infrastructure.³

1.2. Aim of this consultation

- 1.2.1. The Planning Act 2008 requires NPSs to undergo a period of public consultation and parliamentary scrutiny before being designated by the relevant Secretary of

¹ <https://www.gov.uk/government/publications/25-year-environment-plan>

² The development consent process is set out in Annex A.

³ As set out in the Planning Act 2008.

State. This consultation seeks views on the draft NPS and whether it provides an appropriate framework for the Examining Authority (the Planning Inspectorate) and the Secretary of State, to examine and make decisions on development consent orders, for nationally significant water resources infrastructure.

- 1.2.2. This consultation also seeks views on the accompanying Appraisal of Sustainability Report and Habitats Regulations Assessment Report. The Appraisal of Sustainability assesses the potential socio-economic and environmental impacts of the draft NPS; the Habitats Regulations Assessment is an assessment of whether there are any 'likely significant effects' on any 'European site' (e.g. special areas of conservation). More detail is provided in section 3.
- 1.2.3. This consultation sets out nine questions on the four sections of the NPS, the Appraisal of Sustainability and the Habitats Regulations Assessment. These are listed in section 5 of this consultation.

2. Context and summary of draft NPS content

2.1. Developing an NPS for water resources infrastructure

2.1.1. We are developing an NPS to:

- set out the need for new (or significantly expanded) water resources infrastructure projects by referring to evidence from recent reports such as the National Infrastructure Commissions' report on water.⁴ Having the need set out provides clarity for developers and decision makers;
- set out government's policy on developing new water resources infrastructure, as part of a twin track approach to securing resilient water supplies. The draft NPS sets out and brings together the options for securing resilience in the sector as part of this approach. For example, actions being taken to reduce leakage and improve water efficiency, alongside the immediate need for water infrastructure; and
- set out the assessment criteria that a project applying for development consent will need to meet and how potential impacts of nationally significant infrastructure projects should be considered and mitigated. It brings together a range of social, environmental and economic policies with the objective of contributing to the achievement of sustainable development. This provides clarity to developers and sets out a framework for the Examining authority and Secretary of State when considering an application.

2.1.2. In November 2017, the government launched a [consultation](#) on the development of the NPS for water resources infrastructure. This provides a useful background on the NPS and the Planning Act 2008 regime. The consultation informed stakeholders why an NPS is being developed and set out principles for its development. We also consulted on proposals to amend the definition of nationally significant water infrastructure in the Planning Act 2008 and the scoping and methodology reports for the Appraisal of Sustainability Report and Habitats Regulations Assessment.

2.1.3. A [government response to the 2017 consultation](#) was published in spring 2018. All three principles we consulted on informed the development of the NPS, as set out in the response.

⁴ <https://www.nic.org.uk/publications/preparing-for-a-drier-future-englands-water-infrastructure-needs/>

2.2. Water resource management plans

- 2.2.1. The draft NPS for water resources is non-site specific and therefore does not identify any schemes. Water companies have a statutory requirement to prepare, maintain and publish statutory water resource management plans every five years. This is the process by which water companies identify the most appropriate options for meeting water supply needs.
- 2.2.2. The draft NPS sets out that if a nationally significant infrastructure project is included in a published final water resource management plan, the need for that scheme will have been demonstrated in line with government policy and statutory requirements, and does not need to be revisited as part of development consent. The Examining Authority and the Secretary of State should therefore start their assessment of applications for infrastructure covered by this NPS, on that basis.

2.3. Water resources infrastructure that is nationally significant

- 2.3.1. Following the November 2017 consultation on proposals to amend the definition of nationally significant water infrastructure in the Planning Act 2008, government launched a second consultation in April 2018 seeking views on the final proposals for nationally significant infrastructure projects.
- 2.3.2. The government published its [response to this consultation](#) in August 2018, which set out the criteria and infrastructure types to be included in the Planning Act 2008 amendment. This includes a development in England that meets the following criteria:
- **Reservoirs or dams:** where it is expected that the volume of water to be held back by the dam or stored in the reservoir will exceed **30 million cubic metres**; or the deployable output⁵ of the dam or reservoir will exceed **80 million litres per day**.
 - **Water transfers:** where the deployable output of the infrastructure to be constructed or altered as a result of the development is expected to exceed **80 million litres per day**.
 - **Desalination plants:** where the deployable output of the desalination plant is expected to exceed **80 million litres per day**.
- 2.3.3. The amendment to nationally significant infrastructure projects was laid in parliament on October 18 2018. The criteria set out in this document and the draft

⁵ “Deployable output” means, in relation to a given facility, the annual average volume of water that can be produced per day from that facility under drought conditions.

NPS are subject to the act being amended in accordance with the changes that have been proposed and consulted on.

2.4. The draft NPS for water resources infrastructure

2.4.1. The draft NPS comprises of four sections. These are set out below:

Section 1

This section provides an overview of the purpose and scope of the NPS. It sets out the infrastructure covered by the NPS, as per the Planning Act 2008, the geographical coverage, introduces the Appraisal of Sustainability and Habitats Regulations Assessment and introduces the process by which nationally significant infrastructure projects are identified - water resource management planning. Finally it summarises the objectives of the draft NPS.

Section 2

This section sets out government policy on the development of nationally significant water resources infrastructure, as part of a twin track approach to resilience of new infrastructure alongside demand management. It describes the drivers behind the need, including climate change, population growth and protecting and enhancing the environment and presents evidence from reports such as the Water UK long term planning framework⁶ and the National Infrastructure Commission's report on water.⁷

The role of each type of nationally significant infrastructure project (including reservoirs, water transfers and desalination, as set out in 2.3) in securing future water supply needs is explained and this section also provides more detail on the water resource management planning process.

Consultation question 1: Do you think the draft NPS sets out a clear need for nationally significant water resources infrastructure? Please provide reasons to support your answer.

Consultation question 2: Do you think the draft NPS makes clear for water undertakers, the Examining Authority and the Secretary of State, the relationship between water resources management planning and applying for nationally significant infrastructure project development consent? Please provide reasons to support your answer.

⁶ [Water UK- Long Term Planning Framework](#)

⁷ <https://www.nic.org.uk/wp-content/uploads/NIC-Preparing-for-a-Drier-Future-26-April-2018.pdf>

Section 3

This section sets out the assessment criteria against which nationally significant infrastructure project applications are to be decided.

The scale of nationally significant infrastructure projects gives rise to the possibility of significant impacts on the environment, the economy and communities. It is therefore important for the applicant when assessing these impacts, and the Secretary of State when considering the application, to have a clear set of criteria to assess the application against.

Section 3 states that in considering any proposed development, and in particular, when weighing its adverse impacts against its benefits, the Examining Authority and the Secretary of State should take into account:

- its potential benefits, including the facilitation of economic development such as job creation, housing and environmental improvement and any long-term or wider benefits; and
- Its potential adverse impacts, including any longer-term and cumulative adverse impacts, as well as any measures to avoid, reduce or compensate for any adverse impacts.

It also refers to statutory requirements associated with planning, including Environmental Impact Assessment and identifies where information from the water resource management planning process may be relevant.

Consultation question 3: Are the assessment criteria included in the draft NPS appropriate? Please tell us your views, including any further relevant criteria you can identify.

Section 4

This section sets out the environmental, social and economic impacts to be considered by the developer and the Examining Authority. Examples are air quality, flood risk, landscape and visual impact, noise, traffic and transport and water quality.

For each impact, guidance is provided for the following three areas:

- 1) the matters to be assessed and presented by the applicant;
- 2) decision making by the Secretary of State; and
- 3) the proposed mitigation measures to be considered by the applicant.

Consultation question 4: Does the draft NPS comprehensively cover the impacts of water resources infrastructure development and the effectiveness (including avoiding the creation of excessive costs or other potential barriers to the development) of associated mitigation measures? Please tell us your views, including any further impacts or mitigation measures you think should be included.

Consultation question 5: Do you have any other comments on the draft NPS which are not covered by the previous questions?

3. Appraisal of Sustainability and Habitat Regulations Assessment

3.1. Appraisal of Sustainability

- 3.1.1. The Planning Act 2008 (Section 5(3)) requires that an Appraisal of Sustainability must be carried out before an NPS can be designated. The main purpose of this is to ensure that the likely environmental and socio-economic effects of the NPS, at a national level, are identified, described and evaluated. If potential significant adverse effects are identified, the Appraisal of Sustainability recommends options for avoiding or mitigating such effects. It therefore helps to inform the preparation of the NPS and to support the NPSs contribution to the achievement of sustainable development.
- 3.1.2. The Appraisal of Sustainability incorporates an assessment which satisfies the requirements of the Strategic Environmental Assessment Directive.⁸ The Strategic Environmental Assessment Directive aims for a high level of environmental protection and to promote sustainable development. It applies to certain plans that are likely to have significant effects on the environment. The Appraisal of Sustainability also considers socio-economic effects in the same way as environmental effects are required to be assessed by the Strategic Environmental Assessment Directive.
- 3.1.3. Wood Environment & Infrastructure Solutions UK has undertaken the Appraisal of Sustainability on behalf of the Department for Environment, Food and Rural Affairs (Defra). The likely sustainability effects of implementing the draft NPS in delivering the government's policy on the development of nationally significant infrastructure projects were appraised, with a particular focus on:
- the proposed NPS objectives set out in Section 1.9 of the draft NPS;
 - the proposed assessment principles and guidance on impacts and general siting considerations contained within Parts 3 and 4 of the draft NPS; and
 - reasonable alternatives to the draft NPS. This was identified as 'No NPS' and is based on applying existing national planning policy to guide the development of nationally significant infrastructure projects.

⁸ European Parliament and Council Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment. The Strategic Environmental Assessment Directive has been transposed in England by the UK Strategic Environmental Assessment Regulations, SI 2004/1633.

- 3.1.4. Overall the NPS has been assessed and has found that the implementation of the draft NPS is likely to have positive effects across all of the Appraisal of Sustainability objectives that have been used to help characterise the social, economic and environmental effects of the draft NPS, with significant cumulative positive effects identified for water quantity and quality. This reflects the expectation that the policy and guidance for the applicant, the Examining Authority and the Secretary of State contained in the draft NPS will, alongside prevailing national planning policy, legislation and regulatory regimes, provide a positive framework that helps to ensure the potential adverse impacts of water resources infrastructure development are identified, appropriately assessed and, where necessary, avoided, minimised or mitigated.
- 3.1.5. As this NPS is non-site specific, developers will be expected to undertake all relevant project specific assessments as part of applications for development consent.
- 3.1.6. Respondents should refer to the Appraisal of Sustainability Report, including the non-technical summary, when responding to the consultation questions below.

Consultation question 6: Do you agree with the findings (of ‘likely significant effects’) of the Appraisal of Sustainability Report? If not, what other significant effects do you think have been missed, and why? Please provide reasons to support your answer.

Consultation question 7: Do you agree with the conclusions of the Appraisal of Sustainability Report and the recommendations for enhancing positive effects associated with the implementation of the draft NPS? If not, what do you think should be the key recommendations and why?

Consultation question 8: Do you agree with the proposed arrangements for monitoring the significant effects of the implementation of the draft NPS? If not, what measures do you propose?

3.2. Habitat Regulations Assessment

- 3.2.1. The NPS has been assessed under the Habitats and Wild Birds Directives⁹ and the implementing regulations (the Conservation of Habitats and Species Regulations 2017) (the 'Habitats Regulations' SI 2017/1012).
- 3.2.2. The Habitats Regulations Assessment considered the likely significant effects on European designated nature conservation sites (Special Areas of Conservation, Special Protection Areas and Ramsar Sites) of delivering the government's policy for developing water resources infrastructure through the NPS. The approach adopted in this assessment covered:
- screening;
 - appropriate assessment;
 - assessment of alternatives; and
 - assessment of imperative reasons of overriding public interest and identification of compensatory measures.
- 3.2.3. Wood Environment & Infrastructure Solutions UK has undertaken this assessment on behalf of Defra, in accordance with the requirements of the Habitats Regulations. The Habitats Regulations Assessment considers the effects of the NPS on European sites and identifies and assesses alternative solutions to remove or compensate for those effects.
- 3.2.4. In the Habitats Regulations Assessment report, the government has relied on the public interest test, the assessment of imperative reasons of overriding public interest, as the non-site specific nature of the NPS makes it impossible to fully rule out adverse effects on European conservation sites. Under the assessment of imperative reasons of overriding public interest, the test is satisfied as water resources nationally significant infrastructure projects are of major importance to human health. As part of the development of a nationally significant infrastructure project, there will be a project level Habitats Regulations Assessment at particular sites relevant to the development, which will allow impacts on any protected sites to be appropriately assessed.
- 3.2.5. Respondents should refer to the Habitats Regulations Assessment Report when responding to the consultation question below.

Consultation Question 9: Please tell us your views on the findings from the Habitats Regulations Assessment Report for the draft NPS, providing reasons to support your answer.

⁹ The European Council Directive (92/43/EEC) on the Conservation of Natural Habitats and of Wild Flora and Fauna (the Habitats Directive) and Directive 2009/147/EC (Codified version of Directive 79/409/EEC) on the conservation of wild birds.

4. Next steps following consultation

4.1. Parliamentary scrutiny

- 4.1.1. Alongside the launch of this consultation the draft NPS has been laid in Parliament, which will be considered in the usual parliamentary process. The Environment, Food and Rural Affairs Select committee will lead on parliamentary scrutiny. The Select Committee normally produces a report and makes recommendations based on outputs from the public consultation and evidence sessions. The Secretary of State will lay a response to these recommendations in Parliament.
- 4.1.2. There may also be Parliamentary debate and a vote in Parliament on the draft NPS, if the Select Committee makes a recommendation to this effect. The NPS can be designated after it is approved by Parliament. Deemed consent can be given if 21 sitting days pass without a vote. Alternatively, the House of Commons can vote to approve the NPS within that 21 day period. If Parliament does not approve the NPS (by deemed or active consent), the Secretary of State will reflect on the reasons given and consider amending the NPS.
- 4.1.3. Once the NPS and accompanying Appraisal of Sustainability and Habitats Regulations Assessment are finalised, the government will publish a 'post adoption statement' setting out how the outcome of the public consultation has been taken into account in the final document. The aim is to designate the final NPS in 2019.

4.2. General information and how to respond

Response due date: This consultation will close on 31 January 2019.

How to respond: Please respond via citizen space – the consultation is accessible at the following link: <https://consult.defra.gov.uk/water/draft-national-policy-statement>

You may also respond by post to:

Draft NPS consultation
Water Infrastructure team
Water Services
Department for Environment, Food & Rural Affairs, Seacole Building (area 3NW)
2 Marsham Street, London
SW1P 4DF

Or by email to: WaterSupplyNPS@defra.gsi.gov.uk

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When considering responses to this consultation, the government will give greater weight to responses that are based on argument and evidence, rather than simple expressions of support or opposition.

4.3. Confidentiality and data protection

- 4.3.1. This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.
- 4.3.2. Representative groups are asked to give a summary of the people and organisations they represent and where relevant who else they have consulted in reaching their conclusions when they respond.
- 4.3.3. Information provided in response to this consultation, including personal data, may be published or disclosed in accordance with the access to information regimes these are primarily the Environmental Information Regulations 2004 (EIRs), the Freedom of Information Act 2000 (FOIA) and the Data Protection Act 2018 (DPA). We have obligations, mainly under the EIRs, FOIA and DPA, to disclose information to particular recipients or to the public in certain circumstances.
- 4.3.4. If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
- 4.3.5. This consultation is being conducted in line with the Cabinet Office “Consultation Principles” and be found at:
<https://www.gov.uk/government/publications/consultation-principles-guidance>.
- 4.3.6. If you have any comments or complaints about the consultation process, please address them to:

Consultation Coordinator
Defra
Area 1C, 1st Floor
Nobel House
17 Smith Square,
London, SW1P 3JR.

Or email: consultation.coordinator@defra.gsi.gov.uk

5. Summary of consultation questions

- 1) Do you think the draft NPS sets out a clear need for nationally significant water resources infrastructure? Please provide reasons to support your answer.
- 2) Do you think the draft NPS makes clear for water undertakers, the Examining Authority and the Secretary of State the relationship between water resources management planning and applying for nationally significant infrastructure project development consent? Please provide reasons to support your answer.
- 3) Are the assessment criteria included in the draft NPS appropriate? Please tell us your views, including any further relevant criteria you can identify.
- 4) Does the draft NPS comprehensively cover the impacts of water resources infrastructure development and the effectiveness (including avoiding the creation of excessive costs or other potential barriers to the development) of associated mitigation measures? Please tell us your views, including any further impacts or mitigation measures you think should be included.
- 5) Do you have any other comments on the draft NPS which are not covered by the previous questions?
- 6) Do you agree with the findings (of 'likely significant effects') of the Appraisal of Sustainability Report? If not, what other significant effects do you think have been missed, and why? Please provide reasons to support your answer.
- 7) Do you agree with the conclusions of the Appraisal of Sustainability Report and the recommendations for enhancing positive effects associated with the implementation of the draft NPS? If not, what do you think should be the key recommendations and why?
- 8) Do you agree with the proposed arrangements for monitoring the significant effects of the implementation of the draft NPS? If not, what measures do you propose?
- 9) Please tell us your views on the findings from the Habitats Regulations Assessment Report for the draft NPS, providing reasons to support your answer.

Annex A: the development consent process

- 1.1. Under the Planning Act 2008, a developer of nationally significant water resources infrastructure must make a development consent application to the Secretary of State.
- 1.2. As part of this process, the developer will need to assess the impacts resulting from the proposed development, using the NPS as a framework.
- 1.3. For such projects, the Secretary of State will appoint an 'Examining Authority' to examine the application in accordance with the NPS. The Examining Authority will be arranged by the Planning Inspectorate, and will be either a single Inspector or a panel of between two and five Inspectors. Once the examination has been concluded, the Examining Authority will make a recommendation to the Secretary of State, who will make the decision on whether to grant or to refuse consent.
- 1.4. The Planning Inspectorate provide further information on the application process on their website: <https://infrastructure.planninginspectorate.gov.uk/application-process/the-process/>